

**BENEFIT AND INCENTIVE PROGRAMS
RELATED TO**

HPSA, MUA & MUP

Designated Sites

Health Professions Resource Center

Center for Health Statistics

Texas Department of Health

AUSTIN

March 19, 2003

INTRODUCTION

The HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) and MEDICALLY UNDERSERVED AREA/POPULATION (MUA/MUP) Designation Programs are federal programs administered by the Shortage Designation Branch, Bureau of Health Professions (BHPR), U. S. Department of Health and Human Services (U.S. DHHS). Each has its own unique eligibility criteria and designation process.

The HPSA designation process was originally developed as a method for identifying areas with the most acute shortages of health care personnel to assist the National Health Service Corps (NHSC) in prioritizing where their scholarship and loan repayment recipients should practice to fulfill practice obligations. To identify areas with shortages of primary care physicians, the population-to-primary care physician ratio of 3,500:1 was generally established as a threshold. Areas or populations with ratios equal to or above this level that did not have access to primary care physicians in neighboring areas within a reasonable travel time were considered likely to experience a shortage of primary care physicians. For this reason, the benefit and incentive programs designed for HPSAs seek to provide assistance to individual areas or groups in attaining or maintaining an adequate primary care physician supply.

MUAs/MUPs are generally defined by the federal government to include areas or population groups with a demonstrated shortage of personal health care services. This designation process was originally established to assist the federal government in allocating community health center grant funds to areas of greatest need. For MUAs, a composite index of four need indicators is compiled and compared with national averages to determine an area's level of medical underservice. MUPs are identified based on documentation of unusual local conditions that result in access barriers to medical services. In comparison to HPSAs, the benefit and incentive programs are more limited for MUAs/MUPs.

FURTHER INFORMATION ABOUT AREAS OR POPULATION GROUPS DESIGNATED IN TEXAS AS HPSAs OR MUAs IS AVAILABLE FROM:

Health Professions Resource Center

Center for Health Statistics

Texas Department of Health

1100 West 49th Street

Austin, Texas 78756

TEL (512) 458-7261; FAX (512) 458-7344

<http://www.tdh.state.tx.us/dpa/coverpg.htm>

Health Professional Shortage Areas (HPSAs) :

HPSA Definition: An area, facility, or population group with a shortage of primary care physicians, as defined by a population-to-primary care physician ratio of at least 3,500:1 and other requirements specified in the federal designation criteria. Indicators of need for primary medical care such as the poverty rate, infant mortality rate, and fertility rate (live births per 1,000 female population) are also considered, as well as indicators of insufficient capacity to meet existing needs. The HPSA designation can qualify areas and population groups for benefits under the following programs. *Some of these programs have additional eligibility requirements. Please consult the contact agencies listed below for further details.*

<u>NAME OF PROGRAM/BENEFIT</u>	<u>NATURE OF BENEFIT</u>	<u>CONTACT</u>
Medicare Provider Incentive Payments	Public Law (PL) 100-203, Sect. 4043, provides a 10% Medicare bonus payment for physician services (Medicare part B) provided by physicians ONLY IN Urban and Rural <u>geographic area</u> HPSAs - <i>excludes</i> population group & facility HPSAs	Centers for Medicare and Medicaid Services (CMS), Region VI 1301 Young Street, Suite 714 Dallas 75202; (214) 767-6423
National Health Service Corps (NHSC) Placement Program 1. NHSC Scholarship 2. NHSC Loan Repayment	Public Health Service (PHS) Act, Sect. 333, provides for the assignment of federally and/or PHS-obligated physicians, dentists, and other health professionals to designated HPSAs of highest need. NHSC Scholarship Program provides scholarships for the training of health professionals who will serve in designated HPSAs. NHSC Loan Repayment Program (Sect. 338B) - provides loan repayment to health professionals who serve for the NHSC in a selected HPSA site.	Texas Primary Care Office, Texas Department of Health, 1100 West 49th Street, Austin 78756; (512) 458-7518; FAX (512) 458-7658
Rural Health Clinic (RHC) Act	PL 95-210 provides cost-based reimbursement (CBR)(rather than fee-for-service) to RHCs for physician services (paid by encounter rate up to a national rate cap) provided under the Medicaid & Medicare programs. The services must be provided by RHCs in RURAL (non-urbanized) areas designated as geographic area or population HPSAs or MUAs , no facility HPSAs. Area must have been designated, or had its designation updated, within the last three years. The services may be provided by physicians, advanced practice nurses, physician assistants, nurse-midwives, clinical psychologists, and clinical social workers. There are additional benefits and eligibility requirements. Federally Qualified Health Centers (Community Health Centers, Homeless Shelters, Migrant Health Clinics) are eligible for cost-based reimbursement if located in Rural or Urban MUAs or MUPs.	<u>Reimbursement Information:</u> Centers for Medicare and Medicaid Services (CMS), Region VI, 1301 Young Street, Suite 714 Dallas 75202; (214) 767-6423 <u>RHC and Medicare Certification (Survey) Information:</u> Health Facility Compliance Div., Bureau of Licensure and Certification, Texas Department of Health, 1100 West 49th Street, Austin 78756 TEL (512) 834-6650

FEDERAL AND STATE BENEFITS

Physician Education Loan Repayment Program

A program where physicians in certain specialties are eligible for **up to \$9,000/year for up to 5 years for service in a HPSA or with one of four state agencies.**

Approved Specialties: OBGYN, general internal medicine, general pediatrics, emergency medicine, general surgery and psychiatry.

Physician Education Loan Repayment Program;
Texas Higher Education Coordinating Board,
P.O. Box 12788,
1200 East Anderson Lane, Austin 78752-2788
TEL (512) 427-6101; FAX (512) 427-6127
<http://www.thecb.state.tx.us/comments/>

Limited prescriptive authority

Eligible practice sites:

1. Clinics in HPSA areas
2. Clinics in MUA/MUP areas
3. Rural Health Clinics
4. School based clinics administered by school districts or public colleges and universities (not by contract with a for-profit group)
5. Public health clinic or family planning clinics under contract with TDH or DHS
6. Site-MUP Clinics where there are insufficient number of physicians
7. Site-MUP clinics that serves a disproportional number of patients eligible for federal, state or locally funded health care programs

The Omnibus Health Care Rescue Act (Texas House Bill 18, 71st Legislature) authorized **limited prescriptive authority for advanced practice nurses (APNs) and physician assistants (PAs)** practicing in eligible sites. They can sign prescription drug orders after meeting criteria defined by the Texas Board of Nurse Examiners (APNs), and the Texas Board of Medical Examiners (PAs). Requires a 90 day patient history (with a few exceptions)

Advanced Practice Nurses: Texas Board of Nurse Examiners, 333 Guadalupe #3-460, Austin 78701
BNE TEL (512) 305-7400
APN TEL (512) 305-6843
webmaster@bne.stats.tx.us

Physician Assistants: Physician Assistant Licensure, Texas Board of Medical Examiners, P.O. Box 2029, Austin, Texas 78768-2029
TEL (512) 305-7022
pas@tsbme.state.tx.us

Site- MUP Designation: Texas Department of Health, Center for Health Statistics, Health Professions Resource Center, 1100 West 49th Street, Austin, TX 78756
TEL (512) 458-7261; FAX (512) 458-7344

Medically Underserved Community-State Matching Incentive Program (MUC-SMIP)

Administers matching funds to eligible medically underserved communities to cover start-up costs for contracted physicians to establish primary care practices. The funds, from \$15,000 up to \$25,000 per year, per applicant, must be used to establish a primary care physician's office and ancillary facilities for diagnosing and treating patients. Must be in a rural HPSA or MUA site.

Office of Rural Community Affairs (ORCA),
P.O. Drawer 12877, Austin 78711;
(512) 936-6701; FAX (512) 936-6730
www.orca.state.tx.us

Rural Communities Healthcare Investment Program (RCHIP)

Provides incentives such as stipends or loan repayment assistance to non-physician healthcare professionals who agree to practice in medically underserved areas. Must be in a rural HPSA or MUA site.

Information: (ORCA, see above address/phone)

FEDERAL AND STATE BENEFITS

Rural Physician Assistant Loan Reimbursement Program (PALRP)

Provides school loan reimbursements to physician assistants who practice in eligible underserved communities. Must be in a rural HPSA or MUA site.

Information: (ORCA, see above address/phone)

Texas Health Service Corps Program (THSCP)

Offers up to \$15,000 per year as incentive to primary care physicians in their residency to establish practices in medically underserved communities. Must be in a rural HPSA or MUA site.

Information: (ORCA, see above address.)
Phone (512) 936-6732

Other Federal Programs Using HPSA Designations:

Higher “Customary Charges” for New Physicians in HPSAs (PL 100-203, Sect. 4047) - exempts new physicians opening practices in non-metropolitan geographic HPSAs (all degrees of shortage) from new Medicare limitations on “customary charges”.

Nurse Practitioner/Nurse Midwifery Training (Sect. 822(a) of the PHS Act) - funding preferences to nurse practitioner/nurse-midwifery training programs which involve service in HPSAs.

Physician Assistant Training (Sect. 783) -gives funding priority to programs which provide substantial physician assistant training experience in HPSAs, migrant health centers, community health centers, Area Health Education Centers (AHECs), or State-designated clinics/centers serving underserved populations.

Residency Training, Traineeships and Fellowships in General Internal Medicine and General Pediatrics (Section 784), **Family Medicine (Section 786(a), and General Practice Dentistry** (Section 786(b)) gives funding priority to programs which provide substantial training experience in HPSAs, migrant health centers, community health centers, AHECs, or State-designated clinics/centers serving underserved populations.

Mental Health Clinic Traineeships (Section 303 (d)) -trainees must perform obligated service in psychiatric HPSAs or other sites specified by regulation.

Area Health Education Center Program (Section 781 (a)(1)) - gives special consideration to centers that would serve HPSAs with higher percentages of underserved minorities; gives funding priority to centers providing substantial training experience in HPSAs.

Federal Employees Health Benefits Program - reimbursement for non-physician services in states with high percentages of their population residing in HPSAs.

FEDERAL AND STATE BENEFITS

Medically Underserved Areas (MUAs) & Medically Underserved Populations (MUPs) :

Definition: Areas (MUA) or population groups (MUP) with a quantifiable shortage of personal health services as defined by U.S. DHHS designation area criteria. For geographic designations (MUAs), an Index of Medical Underservice (IMU) score is calculated based on a statistical process that takes the individual area's poverty rate, infant mortality rate, percentage of aged population, and primary care physicians per 1,000 population and compares it with national averages. Individual population groups in areas not qualifying as MUAs can qualify as MUPs using the IMU method or a process whereby the population group's unusual local conditions are documented to result in a barrier to access to health care. The latter process requires the Governor of Texas to submit a recommendation to the federal government for MUP designation of the specific population group. MUA/MUPs can qualify designated areas and population groups for benefits under the following programs:

<u>NAME OF PROGRAM</u>	<u>TYPE OF BENEFIT</u>	<u>CONTACT</u>
Community Health Centers (CHCs) Also called Federally Qualified Health Centers (FQHCs)	Public Health Service Act, Section 330, provides limited grant funds for the operating costs of CHCs. CHC health care services must be provided in an area designated as an MUA/MUP	Health Resources and Services Administration Public Health Service, U.S. DHHS, Region VI 1200 Main Tower Building, Room 1800 Dallas 75202; TEL (214) 767-3872
Federally Qualified Health Centers Look-alike Program	Public Health Service Act, Sections 329 (Migrant Health Centers), 330 (Community Health Centers) and 340 (Homeless Shelters). Provides cost-based reimbursement under the Medicare and Medicaid programs to these FQHCs for health care services to populations in areas designated as rural or urban MUAs or MUPs .	<u>Information:</u> (see above address/phone)
Rural Health Clinic (RHC) Act	Public Law 95-210. Provides for cost-based reimbursement (CBR)(rather than fee-for-service) to RHSs for physician services (paid encounter rate up to a national rate cap) provided under the Medicaid and Medicare programs. These services just be provided by RHCs in RURAL (non-urbanized) areas designated as either an MUA and/or a geographic/population HPSA , no facility HPSAs. The services may be provided by physicians, advanced practice nurses, physician assistants, nurse-midwives, clinical psychologists, and clinical social workers. There are additional benefits and eligibility requirements. As of Oct. 1, 1995, areas designated solely as an MUP are not eligible for cost-based reimbursement.	<u>For Reimbursement Information:</u> Centers for Medicare and Medicaid Services (CMS), Region VI 1301 Young Street, Suite 714 Dallas 75202; (214) 767-6423 <u>For Medicare Certification Information:</u> Health Facility Compliance Division; Bureau of Licensure and Certification, Texas Department of Health, 100 West 49 th Street, Austin TX 78756 TEL (512) 834-6650

FEDERAL AND STATE BENEFITS

Limited Prescriptive Authority

Eligible practice sites:

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Site Serving Medically Underserved Population (Site-MUP)

Physician Assistant Loan Repayment Program

Medically Underserved Community-State Matching Incentive Program (MUC-SMIP)

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Areas in Texas where PAs and Advanced Practice Nurses may practice limited prescriptive authority.

Repayment of educational loans for physician assistants agreeing to practice in rural (non-metropolitan) HPSAs or MUAs. Repayment amount: \$5,000/year.

Administers matching funds to eligible medically underserved communities to cover start-up costs for contracted physicians to establish primary care practices. The funds, from \$15,000 up to \$25,000 per year, per applicant, must be used to establish a primary care physician's office and ancillary facilities for diagnosing and treating patients. Must be in a rural HPSA or MUA site.

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333 Guadalupe #3-460,
Austin 78701
BNE TEL (512) 305-7400
APN TEL (512) 305-6843
webmaster@bne.stats.tx.us

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P.O. Box 2029,
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TEL (512) 305-7022
pas@tsbme.state.tx.us

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Health Professions Resource Center, 1100
West 49th Street, Austin, TX 78756
TEL (512) 458-7261; FAX (512) 458-7344

Physician Education Loan Repayment Program; Texas Higher Education Coordinating Board, P.O. Box 12788, 1200 East Anderson Lane, Austin 78752-2788
TEL (512) 427-6101; FAX (512) 427-6127
<http://www.thechb.state.tx.us/comments/>

Office of Rural Community Affairs (ORCA), P.O. Drawer 12877, Austin 78711; (512) 936-6701; FAX (512) 936-6730
www.orca.state.tx.us

FEDERAL AND STATE BENEFITS

Rural Communities Healthcare Investment Program (RCHIP)

Provides incentives such as stipends or loan repayment assistance to non-physician healthcare professionals who agree to practice in medically underserved areas. Must be in a rural HPSA or MUA site.

Information: (ORCA, see above address/phone)

Rural Physician Assistant Loan Reimbursement Program (PALRP)

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Information: (ORCA, see above address/phone)

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Information: (ORCA, see above address.)
Phone (512) 936-6732